

PUEBLO COMMUNITY COLLEGE

Performance Pay Program for Classified Employees

12-11-01

I. Introduction

The purpose of Pueblo Community College's (PCC) Performance Pay Program for classified employees is to promote excellence within the College and optimize our potential to achieve individual, college and system goals and objectives. This Program has been developed in accordance with CRS 24-50-104(1)©(IV), enacted by the Colorado General Assembly as part of SB 00-211. It is effective June 15, 2001. Any exceptions to this Program must be approved in writing by the College President.

II. Performance Planning and Evaluation General Guidelines

Performance Management: a system that has been implemented to ensure that the performance expected from employees is identified and rewarded.

Evaluation Tool: the Performance Planning and Evaluation Form is attached. No other form may be used to evaluate performance. The Performance Plan should align with department and/or College goals and objectives. Uniform core competencies as defined by the State Personnel Director have been incorporated into the Performance Planning and Evaluation Form and cannot be disregarded in the final rating for each employee. A multi-source assessment process was considered but will not be implemented at this time.

Evaluation Period: classified employees shall be evaluated annually or more often if deemed necessary by the supervisor or next level supervisor(s). The rating cycle shall be April 1 through March 31 of each year. Plans shall be completed by April 30 of each year. For new employees, performance plans shall be completed by the supervisor within 30 days of date of hire.

Mid-Year Reviews: by October 1 or as often as deemed necessary, supervisors shall meet with employees to review performance, coach and obtain feedback. This session shall be documented on the Planning and Evaluation Form. New employees or those working under a performance improvement plan or corrective or disciplinary action, may need more frequent meetings.

Responsibility of Plan/Evaluation: supervisors are responsible for developing performance plans and evaluating performance for each of their employees. Supervisors are expected to involve employees in the planning process to the greatest extent possible and are encouraged to discuss professional growth and training opportunities and goals on an annual basis. Failure to timely complete the plan/evaluation shall result in the next-level supervisor completing the

plan/evaluation. This process shall continue up the chain of command up to the College President until the plan/evaluation is completed as required by law. If an evaluation is not completed on a timely basis, the rating shall default to "Fully Competent (Level 2)" until a final evaluation is completed. Supervisors should have a provision in their own performance plan that evaluates the effectiveness of their performance management of their employees. Increments of 5-day suspensions shall be imposed on all supervisors who fail to complete timely evaluations. In addition, classified supervisors who fail to complete timely evaluations shall not be eligible for performance awards.

Ratings: employees shall be evaluated/rated based on four possible qualitative rating levels: Needs Improvement (Level 1), Fully Competent (Level 2), Exceeds Expectations (Level 3), or Meritorious (Level 4). Employees shall be evaluated/rated based upon their performance and not upon quotas of a number of ratings in each of the four performance levels. Evaluations shall be reviewed by the next higher level supervisor before being communicated to the employee.

Needs Improvement Rating: an overall performance rating of Needs Improvement (Level 1) shall result in a corrective action. Individual factor ratings of Needs Improvement (Level 1) may result in a performance improvement plan or corrective action.

Meritorious Rating: this rating is unique and difficult to achieve and shall only be given to employees whose performance is consistently exceptional and meritoriously sustained when compared to the overall job requirements and expectations.

Record keeping: the Human Resources Office shall be the official custodian of record for performance evaluation forms. The Human Resources Office shall also be responsible for reporting to the State Department of Personnel the total amount awarded to employees by performance level each year.

III. Award Distribution

Awards: all awards are subject to available funding and no award will be guaranteed.

Award Eligibility: all permanent, classified employees are eligible for a performance award payment.

Notification of Awards: the supervisor shall be responsible for informing the employee of the merit award.

Base Building Award Payouts: all employees below range maximum shall receive base building awards; however, in the case of a fiscal emergency, awards may be non-base building. Base building merit awards shall be paid monthly beginning July 1 (effective July 1, 2002). For exiting employees to receive a base building award for the previous year, they must be on the payroll July 1 in order to receive the award; however, they will receive the merit award only for the months they remain at the College after July 1.

Non-Base Building Award Payouts (Bonuses): non-base building awards (bonuses) must be earned each year and will be paid with the August paychecks. Once a non-base building award is made for the previous year, the full amount is owed to the employee including upon discipline, termination or death. When an employee moves to another position in the agency, payment of any remainder of the award shall be arranged between the appointing authorities. When an employee moves to another agency, PCC shall pay any remainder of the award.

Award Payouts for New Hires: shall be prorated from the date of hire.

General Guidelines:

- If the final overall evaluation is Needs Improvement (Level 1), the employee shall be ineligible for a performance award payment.
- For those currently at the pay range maximum, only Meritorious (Level 4) performers are eligible for performance-based awards.
- No base-building award can be granted that results in a base salary that exceeds the pay range maximum.
- For those below the pay range maximum, Fully Competent (Level 2) through Meritorious (Level 4) performers are eligible for base building, non-base building, or a combination of performance awards.
- Only Meritorious (Level 4) performers may, at the sole discretion of the appointing authority, be granted a non-base building award that results in a dollar amount above the pay range maximum.
- For Fully Competent (Level 2) and Exceeds Expectations (Level 3) performers, a combination of awards cannot be granted that result in a dollar amount greater than the pay range maximum.
- Payment of awards for those at the maximum of their pay range is limited to non-base building awards and is at the sole discretion of the appointing authority. Fully Competent (Level 2) and Exceeds Expectations (Level 3) performers at the maximum of the pay range are not eligible for any performance award.
- The minimum award for Fully Competent (Level 2) performers is zero.
- The maximum award set for Fully Competent (Level 2) shall be the minimum for Exceeds Expectations (Level 3); and the maximum award set for Exceeds Expectations (Level 3) shall be the minimum award for Meritorious (Level 4).
- The maximum award for Meritorious (Level 4) shall be the maximum percentage set annually by the State Personnel Director.
- The minimum award for those currently at the maximum of their pay ranges is set at zero because payment of these awards is at the sole discretion of the appointing authority.
- Regardless of performance level, an employee cannot be granted an award or combination of awards greater than the set performance award maximum.
- Teamwork may be measured as a component of an individual's performance plan and awards (base and non-base) proportioned accordingly.

Award Procedures:

- The Human Resources Department shall prepare a report to the College President indicating the rating levels of each classified employee.

- Based on the ratings, each year the College President shall determine the allocation of funds among divisions and oversee the quality of the performance pay program.
- Annual base and non-base building performance awards will be a percentage of salary effective on the statewide common date of July 1.
- The following allocation grid defines award parameters:

Rating	<u>Below Range Maximum</u> Performance Increase	<u>At Range Maximum</u> Performance Increase
Needs Improvement (Level 1)	0	0
Fully Competent (Level 2)	More than 0 to X%*	0
Exceeds Expectations (Level 3)	More than X% to Y%*	0
Meritorious (Level 4)	More than Y% to Z%**	0 to Z%**

* Value of X and Y determined by the President according to budget allocations each year

** Value of Z to be set by State Personnel Director

IV. Non-Monetary Awards

Supervisors are encouraged to consider non-monetary awards in recognizing employee performance. Examples are: administrative leave; letters of recognition placed in employees' personnel files; articles about the employee in the monthly PCC newsletter; time off work to attend a class, workshops or conferences, professional development seminars, etc. Non-monetary awards may be given at any time regardless of position in pay range. Non-monetary awards are not calculated in the total amount of awards.

V. Dispute Resolution Process

Pueblo Community College shall adhere to the Community Colleges of Colorado's Dispute Resolution Process for Classified Employees (attached). The Process is an open, impartial review process that is not a grievance or an appeal and allows the parties an opportunity to have issues reviewed objectively. PCC's Human Resources Office shall distribute the Dispute Resolution Process to all classified employees and their supervisors and shall inform new employees of the process during the new employee orientation. The Dispute Resolution Process shall be available on PCC's intranet.

VI. Training

A minimum of 8 hours of performance management training is required for PCC employees and supervisors to ensure that performance criteria relates appropriately to individual jobs, that the measurements accurately reflect performance requirements, and that employees receive sufficient performance feedback to meet or exceed organizational requirements and expectations.

Five general training sessions have been conducted by the Colorado Department of Personnel's General Support Services for PCC employees. PCC has also contracted with the Division of Training Services HEAT Center at Lowry (Biz-Net) for supervisory training; two 8-hour training sessions were held and a training manual was distributed to supervisors.

Training for new employees/supervisors or refresher training sessions will be held as needed.

VII. First Year Transition

In subsequent years, this calculation will not be necessary because the funding available for performance awards will not be limited by the need to annualize anniversary increases.

The Pay for Performance Executive Oversight Committee appointment by the Governor, has suggested the following first year transition process which will be used by PCC:

All employees need to be moved to common evaluation and pay dates. PCC presently has a common evaluation date but not a common pay date. A common pay date means that those who were budgeted for less than 12 months of anniversary increases will be eligible for the full 12 months of a performance award. A portion of the anniversary funding will be used to move all employees to the common pay date which leaves less for performance awards the first year. No perfect solution exists for implementing this preferred payment cycle.

For the first year transition to a common pay date, departments and higher education institutions are to use an individual, employee-based annualization process. Awards for each level of performance would be specified as a percentage of salary. In the first year of system implementation, this percentage would be calculated by first determining the award percentage as in any other year. Then each individual's actual dollar award would be calculated based on their anniversary date. That dollar amount would then be spread over an entire year (12 months) instead of only the months after the employee's anniversary date. The formula for this calculation is as follows:

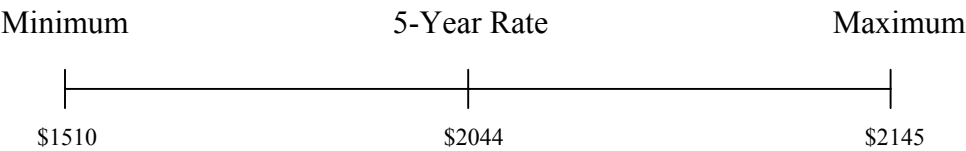
1. Employee's monthly base salary times award percentage times number of months after the anniversary date = dollar amount of first year performance award.
2. Dollar amount of first year performance award divided by 12 = monthly performance award.
3. Monthly performance award divided by employee's monthly base salary = first year performance award percentage.

VIII. Salary Guidelines

Note: this section is not required as part of the Performance Pay Program; however, the guidelines in this section have been approved by PCC President and Cabinet.

Open Range/Terminology Reference:

Effective 7/2/98, grades and steps were eliminated and salaries were placed within an “open range”. Following is an example for Administrative Assistant I, Class G3A2T, Occupational Group G-ASR, Grade G22, fiscal year 2001-02. Monthly rates:



- Minimum:** lowest base pay amount allowed for a job in the range.
- 5-year Rate:** this rate will go away 7-1-02; point in the range where an employee must accumulate 5 years of service before moving to the maximum of the range.
- Maximum:** highest salary that can be earned or paid in the range.

New Hires: the beginning salary shall be the minimum salary range. Any exceptions must be approved in writing by the appropriate Cabinet Member, Vice President for Administration & Finance, Director of Human Resources and College President.

Lateral Movements: the beginning salary for classified employees transferring into PCC from another State agency may be set from the minimum in the pay range up to the employee’s present salary; any exceptions must be approved in writing by the appropriate Cabinet Member, Vice President for Administration & Finance, Director of Human Resources and College President. For those transferring within PCC, the pay shall be at the employee’s same pay.

Reappointments: the beginning salary for employees re-entering State employment after a previous termination of employment shall be the same as new hires.

Reemployments: compensation for employees previously laid off from PCC shall be the base pay rate held at the time of layoff including a saved pay rate if it is within three years of the date the employee was placed in saved pay.

Upward Adjustments: base pay for upward job reclassifications may remain the same or increase up to 10% base-building increase not to exceed job rate. The employee’s new salary must be at least equal to the minimum salary in the higher level classification even if this is a greater than 10% increase. If current base pay is at or above job rate in the new grade, it shall remain the same; however, employees may receive a non-base building promotional award up to the maximum of the new grade for the remainder of the fiscal year. Although requests for upward movements may be submitted at any time, the effective date of any pay increase shall be

the following July 1. If the position is funded through an external grant, any pay increase shall be the beginning of the next grant-funded year.

Downward Adjustments: in system maintenance studies and individual allocations of positions, base pay shall remain the same including saved pay. Downward adjustments include:

Non-Disciplinary: base pay shall be set anywhere in the range that does not exceed current base pay including saved pay to the maximum of the new grade.

Disciplinary: base pay shall not exceed the current rate and shall not be above job rate in the new grade.

Voluntary: in the case of fiscal emergency or for other reasons that benefit the employee and PCC, an employee may agree to voluntarily reduce current base pay which shall be approved in writing by the supervisor, appropriate Cabinet Member, Vice President for Administration & Finance, Director of Human Resources, and employee. PCC may later restore base pay to any rate up to and including the former base pay.

Pay Differentials: no aspect of pay differentials is grievable or appealable except for discrimination. Pay differentials shall only be used if written justification is submitted to and approved by the supervisor, appropriate Cabinet Member, Vice President for Administration & Finance, Director of Human Resources and College President. Pay differentials include:

Matching Pay: may be granted to retain a current employee in the same position when there is a labor market shortage.

Signing Bonus: may be used to fill positions in critical occupations where there is a documented shortage in the labor market and recruitment or retention difficulty jeopardizes PCC's mission; or the applicant possesses a unique, critical skill in relation to the job market. Is non-base building and may be paid in one or several payments.

Referral Award: may be granted to a current employee for the referral and subsequent hire of a new employee where the position requires a unique, specialized skill and there is a documented shortage in the labor market and recruitment or retention difficulty at PCC.

Temporary Pay Differential: may be granted to a current employee in the same position for the following reasons: **acting assignment** where employee assumes the full set of duties (not "in absence of") of a higher level position that is vacant or the incumbent is on extended leave for a period longer than 30 days but less than 6 months; or **long-term project assignment** that is not an expected or customary part of the regular assignment and is critical to the mission and operations of PCC as defined by the purpose of the project, its time frame, and the critical nature and expected results; or **retain a unique, specialized set of skills or knowledge** that is critical to the mission and productivity of PCC and loss would result in documented, severe, adverse effect on PCC's mission and productivity.

IX. Attachments

Colorado Community College & Occupational Education System Dispute Resolution Process
Pueblo Community College Performance Planning & Evaluation Form for Classified Employees